

CITY OF DULUTH 2008 ACCOMPLISHMENTS

ATTORNEYS OFFICE

Drafted numerous ordinances, including those relating to skateboards, graffiti, point of sale, curfews, chickens, rental properties, zoning, parking, liquor, street light utility, assessments, and rental licenses

Advised City on labor and employment issues

Provided legal support for park point land sale and proposed sale of Minnehaha window

Negotiated and drafted numerous contracts and transactional documents

Defended numerous lawsuits

Assisted outside counsel with retiree health care litigation

Advised and provided legal support for City departments

Trained new police recruits on search and seizure and domestic violence

Advised and provided legal support for City boards and commissions

Advised and provided legal support for DEDA

Brought Gradishar gun appeal

Improved attorney reporting and tracking

Advised and provided legal support for police and fire departments

Pursued collection on behalf of the City

Developing a statewide program with St. Paul City Attorney's Office and Minnesota Department of Public Safety for driving after revocation cases

Participated in DWI court

Made approximately 4600 criminal court appearances

Secured approximately 2000 criminal convictions

Imposed an estimated \$955,000 in criminal fines

Defended the City in Landings Lakeside case. In that case, the plaintiffs were seeking nearly \$1 million in damages from the City.

Made significant updates to the office, including reorganizing the library and filing system

Sponsored Roberts Rules of Order training

Negotiated storm water consent decree with EPA and MPCA

Drafted and advised client on Zoo management contract

Defended Croud litigation

Opened 40 human rights cases

Renewed the Fair Housing Action Coalition

Maintained partnerships with St. Louis County Family Services Collaborative, YMCA Anti-Racism Collaborative, Community Action Duluth, Blue Print to End Poverty and Circles of Support, Victor Lewis Color of Fear, St. Louis County Health and Human Services Conference and ISD 709 Promise of the Future

Rebuilding the Hate Crime Response Team

Supported the Commission on Disabilities

PUBLIC ADMINISTRATION

AUDITOR/BUDGET/TREASURER

City of Duluth bond ratings were affirmed by both Moody's (Aa3) and Standard & Poor's (AA-), which reflect the city's role as a regional hub for Northeastern Minnesota and the tax base's economic diversification and continued institutional stability.

Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for achieving the highest standards in government accounting and financial reporting.

Received an "unqualified opinion" from the Office of the State Auditor indicating the Comprehensive Annual Financial Report (CAFR) conforms to applicable accounting standards and fairly presents the financial position of the City and its Authorities.

Received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for achieving the highest standards in budgeting.

A purchasing card (P Card) program was implemented, and continues to be further implemented, to create efficiencies and streamline the procurement process.

Purchased a Guaranteed Investment Contract (GIC) and implemented a construction funding process for the DECC expansion.

Implemented the 0.75% additional food/beverage tax increase related to the DECC expansion.

Conducted an independent financial assessment of the City's investment practices with local and regional financial advisors, which were found to be good practices and consistent with state statute and local investment policy.

Updated the Investment Policy to better address the Community Investment Trust Fund and Other Post Employment Benefit (OPEB) options available through the State Board of Investment (SBI).

Implemented a monthly process within the Investment Committee to address economic, financial market, and interest rate pressures on the City's investment portfolios.

MIS

Improved Data/Voice Connectivity: Lund Facility, Police Downtown DTA Location, Aerial Lift Bridge

There were significant connectivity implementations or upgrades to the above sites. All sites have realized efficiencies and operational communication improvements due to the enhancements at their respective sites.

Assessment Property Search Web Application - With the conversion to a new Assessment system in 2007, MIS worked very closely with the Assessor's Office staff during 2008 to develop a new property search web application for use by the public. As a part of this web application we also developed a "Members Only" application for use as a subscription services for local Real Estate organizations' use. This has proven to be a large success and this application continues to be refined and enhanced. The latest improvement was the addition of the Plat Map feature.

Online Surplus Auction Web Application - During 2008 MIS has been working closely with the Purchasing Office to develop a web application to be launched by year end 2008 which will allow the City's Purchasing Office to produce online auctions for City surplus vehicles, as well as equipment, office furniture, technology items, etc. This will allow the Purchasing office to more easily and readily dispose of surplus equipment while making money in doing so. This will replace the need for the large bi-annual City auctions and do so at an incredible cost savings in disposing of such surplus equipment.

Implementation of One Office Application for Engineering Project Reporting - MIS worked with the Public Works and Utilities Engineering office to implement the One Office application for tracking of all applicable information required for reporting of Engineering projects. This application has proven to improve tracking of all aspects of the Engineering projects while improving the ability to easily report that information to the various required entities. The use of this application is currently being assessed for use in other areas of our organization.

Development of a City-wide Request for Action Citizen Portal and Work Order System - MIS, as well as many other City staff have taken part in an Early Adopter program with

New World Systems in the development of an integrated Request for Action Citizen Portal and Work Order system. This integrated system will interface with the City's existing systems in order to be able to adequately track citizen requests. This system will also allow for invoicing both to internal departments, as well as external entities as is needed. This application will allow us to track and report statistics on all of the requests and work orders which are placed with the City. The Citizen's Portal will interface into our existing City website. We are currently planning the pilot phase of this to begin prior to year end 2008.

City Wide Storage Solution and Server Virtualization - MIS has completed the bid process for a City wide storage solution. This solution will centralize our storage needs, as well as allow us to implement backup methods which will save significant time in file restores as they are needed. This solution will increase up time to users and improve productivity by replacing individual out dated storage servers. Another aspect of this project is to implement server virtualization. The first phase of this virtualization project will allow us to begin the reduction of the number of individual servers substantially. By doing so, this green initiative will allow us to save significant power and cooling costs once the virtualization project phases are complete. Another large improvement is in the area of up time for user departments. The virtualization project allows for the redundancy of servers which will allow for the ability to "move" a virtual server on the fly to another virtual server box to greatly reduce or, in some cases, eliminate down time to user departments. Once implemented, a subsequent phase of this project will include the implementation of a full disaster recovery site at another City site.

ASSESSOR'S OFFICE

Adapting to staff turnover. The City Assessor's Office lost one residential appraiser and one commercial appraiser to budget cuts. The City Assessor's Office now consists of the city assessor, one commercial/apartment appraiser, three residential appraisers, and three clerks.

Inspecting residential parcels. Since 2007 the City Assessor's Office has been focused on beginning a consistent and achievable schedule of inspecting residential parcels (both unimproved and improved). State law requires that the assessor physically inspect all taxable parcels once every five years. What began as a schedule with four residential appraisers to achieve a once-every-seven-year cycle has been adapted to a once-every-ten-year cycle. Residential appraisers have been given minimum inspection counts to accomplish before the March 15, 2009 posting of new values to the 2009 assessment book. (With only one commercial/apartment appraiser, we cannot achieve a ten-year cycle with income-producing properties.)

File repair. Substantial instances of bad data conversion occurred during the conversion process. In other cases, data was deliberately not given to MCIS for conversion because the conversion rules were too complex. We are manually both repairing, and entering missing data into, electronic files on the County's AS400 mainframe.

Maintaining two tax systems. Because the MCIS consortium will not support the custom programming needed to process the City's special assessment programs (SIP, Special

Services District, delinquent garbage, etc.), our clerical staff must double enter some key data on both the City's mainframe and the County's AS400.

Special assessments and other billings. For 2008, the City Assessor's Office processed data that yielded just over 2800 billings for delinquent garbage fees and other unpaid assessments as well as the annual assessment for the Downtown Special Services District.

Work with MIS to re-map the web site. The City Assessor's web began displaying up-to-date data from the MCIS tax system files. We currently have 30 potential clients testing the "members" section of the web site to see if they would be willing to pay a membership fee beginning in 2009.

Respond to Appeals and Tax Court Petitions. The City Assessor's Office responded to, and posted to the assessment book and Department of Revenue reports, formal appeals of 550+ parcels, and began analysis and negotiations resulting from 25 tax court petitions. Counting calls that did not lead to formal appeals, the office received approximately 700 phone calls during the five-week appeals notification and registration period in April-May 2008.

Commercial and Apartment Assessed Values Up While Residential Unchanged. The City's median assessment to sale price ratio for both improved commercial and improved apartment real estate fell *below* the Department of Revenue's minimum standard (90%), thus requiring the Assessor's Office to perform global percentage increases in the assessed values of properties in those two study categories. The increases were stratified by assessed value with the lowest valued properties getting the highest percentage increases, 20% being the maximum increase.

The City's median assessment to sale price ratio for improved residential real estate fell *within* the D.O.R.'s acceptable range (90% to 105%), thus requiring no global changes to the assessed values of residential properties. Only those properties within the targeted inspection areas for the year experienced value changes.

HUMAN RESOURCES

Developed new efficiencies and services in the administration of health plans/prescription drug plans.

Moved all active employees to one health plan and one prescription drug plan, resulting in improved administrative efficiencies. As the cost of providing competitive health benefits to employees continues to escalate, this was considered an essential move. While this move does allow the City to be more competitive in its search for a third party administrator, it also enhances the City's opportunity to partner with a TPA who will help find best suited solutions for the organization and maximizing benefits at lower costs.

Carved out Pharmacy Benefit Manager (PBM) services to better assist health plan members in accessing their pharmacy benefits and helping the City better manage drug spend. A critical benefit provided by our PBM is drug trend management. This involves leveraging competitive pricing for the lowest net cost, providing insightful benefit design

and utilization management solutions, and making recommendations for effective consumer-focused tools and programs such as our Specialty Drug Pharmacy Program.

Introduced a Medication Therapy Management Program (MTM). Through a comprehensive review of a patient's drug regimen, the primary goal of MTM is to identify, resolve and prevent medication related problems to achieve optimal outcomes of drug therapy. Increased prescription adherence has been demonstrated to result in healthier outcomes and a reduction in overall health care costs.

The Retiree Drug Subsidy (RDS) is one of several options available under Medicare that enables employers like the City to continue assisting their Medicare eligible retirees in obtaining generous drug coverage. The positive benefits from the RDS program derive from the subsidy payments it makes to plan sponsors and the flexibility to use the subsidy to support retiree drug plan expenditures. In 2008, the City received a total of \$334,932 for the 2007 plan year.

Hired a new Human Resource Manager after a period of almost two years with interim managers.

Added stability to the Human Resources Division by adding a highly qualified individual with strong human resource training and experience to the division.

Resulted in a review of current human resources operations and developing plans to prioritize projects, cross-train staff, and add efficiencies to the Human Resources Division.

Developed and conducted selection processes and filled vacant positions for key City positions:

Chief Administrative Officer. Developed selection process with input from a team of community members who narrowed the list of candidates based on the vision and goals of the Mayor.

City Attorney. Utilized a group of legal experts to assist us in narrowing the field of candidates and filling this position in a timely manner so that there would be no gap in management of the Attorney's office when the current City Attorney retired.

Manager, Human Resources. Created and conducted a civil service exam process to ensure that the administration would have a highly qualified employee to lead the HR team in meeting goals.

Land Use Supervisor. Created and conducted a civil service exam process to ensure that the administration would have a highly qualified employee to provide direction to ensure that development projects are in conformance with the Comprehensive Plan.

Support Analyst and Network Administrator. These two positions were added to our MIS department to help the City move towards paperless systems and creating/improving our on-line capabilities.

Made strides in our efforts to increase safety in the workplace.

Our Safety & Training Officer, Julie Baker, passed certification exams to become a Certified Safety Professional. This highly respected certification is awarded by the Board of Certified Safety Professionals to individuals who meet academic standards, satisfy professional safety experience requirements, and have passed two rigorous examinations (five and five and a half hours per examination). The examinations cover engineering and management aspects of safety, applied sciences, legal and regulatory matters, professional affairs and ethics, and other safety-related topics.

Julie Baker also revamped the Operator Qualification Program to make the program more efficient and user-friendly. The Operator Qualification (OQ) Program is a series of courses relating to safely working with and around gas pipelines. Any employee with any involvement of gas operations is required to take certain courses. This includes those who answer phones regarding gas hits and those working directly on the pipelines. The program is audited by the MN Office of Pipeline Safety (MNOPS).

PURCHASING

Identified suggested changes in the City of Duluth purchasing Code.

Worked with MIS to develop and activate an on-line surplus property site similar to E-bay. Second phase to be worked on to make bidding visible up to the cut off date.

Held department Purchasing training sessions.

Did a couple “prime vendor” bids but was not successful in generating any vendor interest. Will try another approach this coming year.

Worked with Facilities and Attorneys to sell Park Point Lots. Final sale of 3 lots pending.

Held a successful surplus auction.

Lora held training sessions for putting together contracts in a consistent method.

MAINTENANCE OPERATIONS

Architecture, Facility Management Services & Street Light Utility

Completion of the East 1st Street Medical District Parking Facility.

Completed renovation of the Duluth Main Public Library and the West Duluth Branch Library at City Center West. 64,000 Square Feet of carpeting replaced without any old carpet product entering a landfill. New carpeting contains 82% recycled content.

Completion of the streetscape improvements on Ramsay Street in West Duluth, including new lighting, street furniture, brick paver sidewalks. Many private businesses used this as impetus to improve their “storefronts” facing this important connector street.

The implementation of final way finding signage on the Baywalk Extension located at

the terminus of the Minnesota Slip.

Completion of Phase one of the new City of Duluth Skatepark located at the Wheeler Field House.

Completion of the fire restoration project at Harrison Recreation Center.

Started planning and preliminary site design for a Public Works & Utility vehicle storage building on the brownfield site known as Morningside Pit, which will service the eastern portion of the city.

Started fire station improvements to Stations #1, #4, #7 and #10 that included new roofing, new windows, and masonry restoration.

Continued involvement and planning for future projects and improvements such as Skywalk extensions, Lakewalk extensions through East Duluth, Grassy Point Trail, Munger Trail.

Started interior updates of Attorneys Office on fourth floor City Hall. Continued use of sustainable and green renovation products.

Acquisition of a new Facility Management Work Order System.

Replaced outdated furnaces at 40th Avenue West Tool House with new, energy efficient models.

New energy efficient lighting replacements at the Public Works & Utilities Building and the Zoo. Projected savings anticipated are 20% annually.

Enger Tower ornamental lighting installed. LED lighting is more efficient and maintenance free. Anticipated life expectancy approaches 100,000 hours.

Wade Stadium modernization. Installed water line upgrades and improved field lighting.

Wheeler Field House, new, energy efficient window replacement.

Creation of the new Street Lighting Utility and applicable funding source to allow for continued upgrades to the lighting infrastructure.

Developed Budget/Planned for 2009 CIP to include upgrades to many City owned facilities.

Fleet Services

Replaced expensive rental storage by purchasing two on site storage containers.

Installed an Ice-Retention System on the roof of the Fleet Services building for employee safety.

Purchased new floor scrubbers for the Fleet Shop and Forestry Toolhouse. Relocated

another scrubber to the Toolhouse at 40th for building maintenance.

Successfully tested Field Force Management software.

Somehow managed to keep vehicles and equipment serviced and operating safely during 2008 under the most stressful economic times the City of Duluth has ever experienced. Truly a testament to the pride and dedication of the staff employees in Fleet Services.

Park Maintenance

Turf and Athletic Fields:

Provided maintenance services for over 900 soccer games, 620 softball and baseball games, and 7 weekend softball tournaments.

With financial assistance from the Arrowhead Youth Soccer Association, installed drainage systems on 3 soccer fields at the Jean Duluth complex. This effort substantially improved field availability and playability.

Converted Wheeler Field #5 from a softball field to a baseball field. Converted Irving baseball field to a soccer/football field. Both of these projects will help us better meet the needs of our customers.

Supervised permanent, seasonal, and temporary employees with no accident reports or lost time accidents.

Parks and Forestry:

Replaced playgrounds in two city parks (Chester Bowl and Park Point) with private funding, volunteer labor and city supervision. Park Point was paid for by the Duluth-Superior Community Foundation. Chester Bowl was paid for by a donation from the Chester Bowl Improvement Club. Structures were also upgraded at Brighton Beach, Morningside, Chambers Grove, and Portland Square Parks.

Coordinated over 14,000 volunteer hours donated by a variety of community organizations and individuals. Projects volunteers worked on included playground construction, trash pickup, graffiti removal, gardening, trail construction, invasive species removal etc.

Seven hiking trails were upgraded to improve accessibility for people with disabilities.

Continued our aggressive graffiti removal program during our worst year for this type of vandalism. Coordinated efforts with law enforcement and the court system to find ways to mitigate this problem.

Worked with state agencies, city staff and volunteer groups and individuals to control a variety of invasive species in our parks and public lands.

Parking Fund & Ramp Maintenance

Painting:	Centerline (double yellow)	203.40 miles
	Lane line (edge line white)	57.35 miles
	Crosswalks	35,825 feet
	Miscellaneous (legends and other markings)	11,285 feet

Also did file updates in engineering records for painting accomplishments

Signs:	Signs in inventory on street	19,306
	Work orders/traffic orders	60
	Repairs/replace	321
	Emergency/ICR responses	27
	Special Events	39

Also maintained computer records of sign inventory

Meters:	New meters installed	25
	Old meters removed	4
	Batteries replaced	3,958
	Work orders/traffic orders	6
	Ticket complaints	200
	Stolen or vandalized meters repaired/replaced	22

Maintained all computer records for meter work.

Reprogrammed all 1,992 meters to reflect an increase in rates and also performed one audit to establish trends and information.

Moved the Traffic Maintenance operation from 105 North 40th Avenue West to 2407 Commonwealth Avenue.

Property & Contract Management:

Trinity Road/Lake Superior College Recreation area created by filling a former gravel pit with excess material from a road project. The pit was converted into a recreation area for active and passive field sports and disc golf.

Obtained Council approval for the sale of 3 of 4 lots on Park Point generating 1.23 million in revenue to apply to the budget deficit.

Completed an evaluation of over 3,000 parcels of City controlled land. The purpose was to determine which parcels were surplus to the future needs of the City. A land sale will occur in 2009 and generate revenue to the City and increased tax base.

Finalized a new long term agreement with the Duluth Amateur Hockey Association for the year around operation of Fryberger Arena.

Acquired clear title to the Morningside Pit area on Jean Duluth Road. This opens options for consideration for the future City use of this large tract of land adjoined by a large tract of State land.

Street Maintenance:

A concrete crew was added to the permanent patch crew formed in 2007, and together they completed all utility restorations in 2008, saving the city an estimated \$200,000 over the cost of a contractor.

Two miles of the worst streets were capped with asphalt in 2008.

As a direct result of the city's capping program originated last year, city crews were able to remove 7.7 miles of the most severely deteriorated streets and alleys from the annual patch list. This enabled city crews to patch every street and alley in Duluth at least once during the summer season, a feat that has not occurred for more than 20 years.

Crews have begun tackling necessary city projects which were underfunded, including paving the parking lots for the new police station in West Duluth, and replacing a deteriorated wrought iron fence at Observation park.

COMMUNITY RESOURCES

COMMUNITY DEVELOPMENT & HOUSING

Duluth Community Development Program Mission is to invest in community programs that help low to moderate income people by addressing **basic needs**, providing **affordable housing** and increasing economic **self-sufficiency**

To accomplish this mission the division administers more than \$4.2 million in Federal funds from the Department of Housing & Urban Development, through three major programs: the Community Development Block Grant (CDBG) program; the HOME Investment Partnerships (HOME) program; and the Emergency Shelter Grant Program (ESGP). The following is a summary of this year's major accomplishments and outcomes for the community:

Meeting People's Basic Needs

- Invested in public services that served 1,502 more people in 2008 than in 2007, a 10.5 % increase.
- Provided upgrades to the Damiano Center parking lot and created a parking area for the Harrison Community Center for persons to access much needed services within their neighborhoods
- Provided accessibility upgrades within the Central & East Hillside, with 57 intersection and alley curb ramps to assist persons with disabilities to access services within these neighborhoods.

Providing Affordable Housing

- Provided 8 new homeownership units within the community that increased the local tax base by \$520,000.
- Provided 21 new accessible multi-family housing units for the community.
- Preserved 112 affordable housing units (92 homeowner and 20 rental units) that provided new tax base growth of \$1,478,404.

Economic Self-sufficiency

- Along with the Workforce Development Division and several community partners, invested \$ 383,000 in to the “**Duluth at Work**” program to assist 43 low income individuals in receiving job training and increasing employment opportunities, with the outcome of increasing their income by 25% over a three year period.
- Weatherized 69 housing units in the community to achieve an energy cost savings of 30%, which exceeded the goal by 10%.

WORKFORCE DEVELOPMENT

The mission of the Duluth Workforce Council is: “Build a skilled, diverse, and adaptable workforce to meet existing labor market needs, the changing needs of our dynamic market, and stimulate economic development and growth.”

The primary employment and training law of the United States is the Workforce Investment Act. Under this law, funding flows through state workforce agencies to local service areas to operate programs designed to assist adults and youth who have barriers to employment, and individuals who have been permanently laid off. The City of Duluth has been designated by the state as a local service area. As a result, the City is required to have a “workforce investment board” comprised of community volunteers. The Duluth Workforce Council, Inc., whose members are appointed by the Mayor, serves as the board for Duluth. They oversee program operations as well as play an important strategic role in developing partnerships and initiatives in order to meet the mission as stated above.

The Workforce Development Division operates the Workforce Investment Act programs. We also operate a Senior Community Service Employment Program aimed at low income senior citizens, and have a contract with St. Louis County to deliver employment counseling services to recipients of Minnesota Family Investment Program welfare assistance. 2008 Accomplishments:

Provided career counseling, performance assessment, and related employment and training services to more than 1,600 individuals enrolled in our various programs during 2008.

As an operating partner of the Duluth Workforce Center, division staff assisted in delivering services to over 1,800 members of the public who visited the Center’s “resource area” for a total of approximately 22,000 visits, and conducting free job search related seminars for approximately 800 attendees.

Achieved the following outcomes on the 17 performance measures associated with the federally-funded Workforce Investment Act programs:

12 = Exceeded

5 = Met

Along with our workforce partners in Northeast Minnesota and Northwest Wisconsin, received a \$250,000 Regional Innovation Grant from the U.S. Department of Labor for the purpose of developing a comprehensive regional economic and workforce development strategic plan.

Along with the Community Development and Housing Division and several community partners, successfully implemented the “Duluth at Work” project to serve low income individuals with the goal of increasing their income by 25% over a three year period.

PLANNING

Mission - The City Planning Division works to ensure that development is consistent with Duluth's future as an urban wilderness, as a neighborly and safe place to live, and as a place of high-skilled, high-wage employment.

City Planning Commission - Responding to inquiries, processing land use applications and staffing the Planning Commission are the principal duties of the City Planning Division. The Commission met 12 times in 2008 to review and make recommendations on 124 individual actions. Each action requires research, notification and preparation of a report by staff. Staff also carries the Commission's recommendation through to City Council action. The following table presents the number of petitions received and analyzed by city planners from 2006 to 2008.

Number of Petitions per Year by Type, 2006 - 2008

Petitions	2006	2007	2008
C-5 Plan Review	5	7	7
Concurrent Use Permits	7	16	1
Downtown Waterfront Mixed Use District Reviews	16	16	15
Historic Preservation Reviews	7	3	1
Miscellaneous	14	25	26
Preliminary and Final Plat Reviews	6	5	5
Special Use Permits	11	11	6
Tax Forfeited Land Reviews	12	23	7
Vacations of Streets, Alley and Easements	21	15	16
Water Resources Management Ordinance Special Use Permits and Variances	24	25	16
Wetland Conservation Act	6	26	20
Zoning Ordinance Map Changes (rezonings)	9	8	4
<i>TOTALS</i>	<i>138</i>	<i>180</i>	<i>124</i>

Comprehensive Plan Implementation - The other major initiative being led by the City Planning Division is the implementation of the Comprehensive Plan, which was adopted by the City Council in 2006. This past summer, Mayor Ness and the Planning Commission appointed 15 citizens to a Zoning Advisory Committee to assist the City in the development of a new zoning code and unified development code. An RFP was issued in August for consultant services with four consultant teams submitting proposals. It was the recommendation of the Zoning Advisory Committee to hire Clarion Associates of Colorado due to their extensive experience developing unified development codes as well as their expertise with form based codes, sustainable design and land use law. The consultant contract amount is \$260,000 of which \$110,000 is being funded with grant monies - \$70,000 from the John S. and James L. Knight Foundation and \$40,000 from the Minnesota Lake Superior Coastal Program, administered through the Minnesota Department of Natural Resources. The City officially kicked-off the process to develop the new code at a public meeting on

December 16, 2008.

PARKS AND RECREATION

The City is coordinating an educational program for seniors on the upcoming Digital Television Transition in 2009, working with local television stations and the FCC. Presentations, "What are your options?", were held at various senior centers. Additional educational literature will be distributed at all senior centers and highrises.

Senior Programs volunteers were honored at a Volunteer Get Together & Party with 80 guests in attendance. This is the time the City of Duluth says "Thank You" to those who help our Senior Programs continue.

The Senior Dining Program celebrated its 35th Anniversary with a special meal at all dining sites and placemats and table tents provided by the state association.

Parks and Recreation received grant funding for the summer youth program. Without those funds, several recreation centers would not have been open this past summer. We received a total of \$27,010 in grants: \$20,000 from the Northland Foundation, \$2,560 from the Duluth Superior Area Community Foundation Lone Wolf Fund, \$2,500 from the A. H. Zeppa Family Foundation, and \$1,950 from the Lloyd K. Johnson Foundation. These funds were used to pay for temporary summer staff at our recreation centers. We also received contributions from community clubs and private citizens.

A new program for public skating began at the Duluth Heritage Sports Center in July. A calendar of skating opportunities was developed for the year and is available on our website. Posters and other advertising has also been done to inform the public. These pleasure skating sessions are free and open to all ages.

The long-standing partnership between the City and the Chester Bowl Improvement Club has been expanded so that downhill skiing will continue to be offered at Chester Bowl Ski Hill this upcoming season. Club members and other volunteers have stepped forward to make this program possible.

A park was deeded to the City of Duluth by the two Duluth chapters of the Daughters of the American Revolution. They have owned Lot 39 in Fond du Lac since 1927. The Daughters of Liberty and Greysolon du Lhut chapters deeded this property, now known as Historical Park, to the City of Duluth at a special event on June 16. The lot commemorates the site of John Jacob Astor's American Fur Company Trading Post and the site of the signing of the first Ojibway treaty in Minnesota.

A new playground at Chester Bowl was dedicated on June 10. A majority of the funds for the playground were raised by the Chester Bowl Improvement Club. Volunteers assisted Park Maintenance employees in the building of this playground.

Construction was completed on phase 1 of a new Skatepark at the Wheeler Athletic Field. This project was a cooperative effort between the Parks Commission, interested business owners, volunteers, skateboarders, and City staff and spanned many years. Several grants were received and fundraising was done by volunteers, youth, and UMD students. The skatepark will also receive a \$3,000 contribution from the Duluth Public

Arts Commission to be used for a public art piece at the skateboard park. Plans are in the works for fundraising for phase 2 construction.

The City was pleased to receive a \$25,000 grant from the Duluth Superior Area Community Foundation as part of their celebration of 25 years of giving back to the community. This grant was used to replace the playground at the Park Point Recreation Area.

In a year of dwindling resources, Duluth community volunteers have substantially increased their hours of dedicated work at our trails, parks, playgrounds, recreation centers, and gardens throughout the city. An estimated 40% increase in volunteer hours has been experienced.

Parks and Recreation experienced significant reductions in staffing this year due to the City's financial crisis. Staff have worked with numerous community groups, sport organizations, non-profit agencies, schools, civic groups, businesses, and concerned, committed individuals to continue to provide limited recreational opportunities. We have been pleased with the response from volunteers across the city.

Due to budget reductions, the City will no longer be providing the Senior Dining and Home Delivered Meals program. Parks and Recreation has worked extensively with the Arrowhead Regional Development Commission (the funders) and the Arrowhead Economic Opportunity Agency (the new providers) to continue the program at all its current locations and to provide for a seamless transition for the seniors. Parks and Recreation will work with senior volunteers to continue recreational opportunities.

Zoo

Zookeepers at the Lake Superior Zoo were awarded the Clarence Maddy Award at the State of the City event. They faced the challenges of the loss of accreditation, the resignation of the director of the Zoo, the death of their beloved Bubba, the recent death of Nemo, the lion, financial cutbacks, and the uncertainty of how the Zoo will be managed in the future. Through all of this, the Keepers have worked hard to maintain and improve the Zoo and enhance the environments for the animals they care for.

A new fundraiser was held: "Zoo Brew & Masquerade", which is a Boo at the Zoo for the adult crowd. The Lake Superior Zoological Society hosted this event at Grandma's Sports Garden.

The Lake Superior Zoological Society acquired three new lion cubs for the Lake Superior Zoo. The cubs, one male and two females, were born on September 21, 2007. Procurement of the lion cubs was a collaborative effort between the Zoological Society, Parks and Recreation, students and teachers in the Duluth Public Schools, and the local Lion's Club in an effort to improve the Lake Superior Zoo.

The Lion's Club of Duluth became an important partner at the Zoo. The lion habitat had been empty since the passing of the Zoo's 19 year old lion, Nemo, late last year. The Lion's Club took on the project of preparing the habitat for the new cubs and painting the interior holding areas, which had not been done for over 20 years.

The Zoo belongs to the Species Survival Program and thus our tiger, Murray, was transferred to the Como Zoo for a breeding program. We were fortunate to be able to acquire another tiger, Usseri, a 3 year old male. He has acclimated well to his new environment and to Natasha, our other tiger.

Due to significant budget reductions, the City can no longer manage the Zoo. For the past year, City staff and the Lake Superior Zoological Society have worked together to develop a different model for managing the Zoo. We are in the final stages of contract negotiations for the Zoological Society to take on the management of the Zoo.

LIBRARY

The Main Library underwent its first widespread renovation since the building opened in 1980. The project included the replacement of all the carpet on all three floors, extensive remodeling of the Computer Lab, the construction of a new service desk in the top floor Reference & Information area, renovation of the Green and Gold meeting rooms, and the replacement of furniture in the public areas. While construction was done on the top two floors, staff provided library services from the Green Room and the Superior Street lobby. During the entire three-month project, the Library was completely closed for only six days. Library customers were still able to check out materials, use Internet computers, read popular newspapers and magazines, and have their reference questions answered. Staff retrieved materials from throughout the building and delivered them to customers waiting in the Green Room or the Superior Street lobby. Photos of the remodeling progress were posted on the Library website and comments were received from around the country.

Beginning in November, Duluth Public Library customers were able to sign themselves up to use an Internet computer using the new SAM (Smart Access Management) software. People are also able to reserve time for later in the day using the library catalog computers or the library website. SAM allows computer users to easily monitor how much time they have on the computer and streamlines printing by tracking money people have deposited on account.

The 7th annual One Book, One Community program was the most successful area-wide reading project held thus far. The 2007 book was *Three Cups of Tea* by Greg Mortenson. Mr Mortenson's appearance in March proved so popular that the venue had to be changed from Marshall School to the DECC. Nearly 2400 people attended the free talk, making it the most highly-attended program in Library history. Mayor Ness introduced two groups of local students who had collected money for Mortenson's Central Asia Institute. The One Book, One Community project was sponsored by the Duluth Library Foundation in cooperation with the Arrowhead Library System, Arrowhead Reading Council, Barnes & Noble Bookstore, Duluth Public Schools, Friends of the Duluth Public Library and Northern Lights Books & Gifts.

The Duluth Public Library's website recorded over 400,000 visits during 2008 and is developing into a virtual library location. Subscription database resources provide access to online information and research that is unavailable to people surfing the Internet. In this age of online information overload, the Library's lists of authoritative, reputable websites can help web surfers efficiently target their searches and rapidly find what they need. Book-related newsletters and lists help people choose interesting

reading material from the thousands of books published each year. Information about library programs and other events help busy citizens plan their schedules. Electronic newsletters with details of books and fingerplays used in the Library's preschool storytimes allow parents to recreate a storytime experience at home with their children. Access to the library catalog and to their own user accounts lets people search library collections at their convenience and place titles on reserve for later pickup.

Several new subscription resources are available for Duluthians to use both at the Duluth Public Library and from home on their own computers. *Learning Express Library* offers study guides and sample tests for the GED, ACT, SAT, U.S. Citizenship, and ASVAB exams, as well as practice tests for civil service jobs such as Police Officer, Nurse and Firefighter. *TumbleBooks*, a resource for children, takes existing picture books and adds animation, sound, music and narration to produce an electronic picture book which kids can read or have read to them. Other online resources added this year include: *Gale Business Plans*, *Gale Virtual Reference Library*, *General Science Collection*, *Oxford English Dictionary*, *Small Engine Repair Center* and *Worldmark Encyclopedia of the Nations*. Online resources make it easy for library cardholders to search the information they need at whatever time or day is convenient for them.

The Duluth Public Library's Reference division installed a computer dedicated to searching health-related websites, with links to high-quality, authoritative resources. Most of the sites are available through general web searching, but there is also a link to the *Health and Wellness Resource Center*, a subscription resource funded by the Duluth Library Foundation. Websites linked include general health sites, alternative and complementary health information, dental care, children's and teen health, where to find clinical trials, food and nutrition information, state and national doctor locators, surgical and diagnostic tests, and minority health issues. Although most of these sites are publicly accessible, grouping them on this computer makes them more useable to the public searching for reliable health information.

The Duluth Public Library's Youth Services division sponsored many free programs and activities for local children and teens. More than 4300 people attended the eight Kaleidoscope outdoor performances on the Library Plaza. Regular Storytimes for children from birth to age 5 form part of the Library's involvement in early literacy development. Attending library storytimes helps young children increase their vocabularies, prepares them for school, and is fun! Summer reading programs, *Look What's Cookin' at your library* (for kids through grade 6) and *Plug In to your library* (for teens grades 7-12), invited kids and teens to track the amount of time they spent reading. A record-setting total of 9115 hours of reading was reported by kids and teens in our community. This year's summer reading program included a partnership with Kids' Café, which brought the experience of reading for fun during the summer to a new population. Other projects included the Family Winter Read-Aloud Program, Summer Writing Workshops, a Teen Read Month project that resulted in the creation of a Duluth Teens' Top Ten titles list, and presentations to classes and community groups.

The Friends of the Duluth Public Library, the Duluth Library Foundation, the Arrowhead Library System and many other community organizations and businesses support library programming for children and teens. During 2008, collaborative services or programs included these organizations: Duluth Children's Museum, Duluth Public Schools, Great Lakes Aquarium, Incline Station, Kids Café, Northland Foundation, Port

of Duluth Kiwanis Club, St. Luke's and SMDC Hospitals, United Way, U.S. Bank.

The West Duluth Branch Library remained open for business during a spring remodeling project. The children's area was repainted and additional shelving was installed to house the growing collections of children's books. New carpet squares brightened up the library and a new computer table has made the Internet computers more accessible to all users.

The Friends of the Duluth Public Library co-sponsored the 20th annual Northeast Minnesota Book Awards (NEMBA), along with the UMD Library. The ceremony was held in May and awards were given to eight titles that represent northeastern Minnesota history, culture, heritage, or lifestyle.

Student volunteers from the UMD Accounting program provided free income tax-preparation assistance at the Main Library. More than 1,000 people took advantage of the help provided by this popular project and they received over a million dollars in tax refunds.

The Main Library's Computer Lab was used by The Center for Independent Living for a series of classes for people with physical and mental disabilities. The classes focused on basic computer operation, word processing, an introduction to the Internet, how to use email, etc.

FIRE DEPARTMENT

Building Safety

New leadership is in place and moving forward ongoing organizational enhancements to improve the performance of the division. This process will continue into 2009.

Permit Cycle times for permit approval have been cut by 31% (the goal was 25%) Applicants are now provided a date for initial plan review and 94% of plans have been reviewed on or ahead of schedule.

Staff now focuses on their primary areas of responsibility instead of being pulled in different directions by competing priorities. This has resulted in increased performance and clarification of roles for employees.

Counter staff have been trained to issue minor permits over the counter. This greatly reduces the wait time on smaller projects.

The division has adopted a commitment to customers that stresses timeliness, accuracy and respect.

Fire Operation

The Fire Department has become a state licensed training facility for Emergency Medical Technician recertification. This efficiency results in more flexibility in training schedules and a reduction in training cost.

The entire inventory of Self Contained Breathing Apparatus (SCBA's) was replaced in 2008. The project was made possible through a successful Assistance to Firefighter Grant application. The SCBA upgrades have enhanced fire fighter safety and fire fighters ability to fight fire. The project cost \$270,000 with 80% being paid by the Federal Grant Program.

Applied for a grant to have interactive video in all fire stations. This technology will allow training to be conducted live in each fire station eliminating the need to travel to the headquarters training facility. This will allow more training to be conducted at less cost while keeping fire fighters where they are needed, in their districts. It will improve response times and fire fighter and community safety while reducing fuel cost.

Moved all hydrants to GIS systems allowing for more up-to-date district maps and increased sharing of information with other departments.

Fire Companies conducted fire safety presentations to all 2nd and 5th grade classes in the City of Duluth, about 2100 children.

Expanded EMS services to include checking blood sugar, administering nitro glycerin, a new airway management system, and administration of aspirin. These services will improve the care to our citizens.

Fire Prevention

Grant dollars were secured to do a major smoke detector give away program. It is estimated that 2500 detectors will be purchased and installed by fire fighters in homes across Duluth. This grant was made possible through the Assistance for Firefighters Grant Program.

CO Detectors Give Away. With a grant through the State Fire Marshal's Office, Carbon Monoxide detectors will be provided for those that meet income guidelines and own their own home. We have partnered with Arrowhead Economic Opportunity Agency for distribution of the detectors.

Fire Prevention held nine classes for juvenile firesetter and their families. These classes have been recognized nationally as a proactive step to help families with children and young adults that have started fires.

The operational permit program was expanded to include all commercial occupancies. The expanded program will provide more detailed inspections for all businesses.

The fire prevention office inspected all apartment buildings with eight or more units for a total of 220 inspections and found over 500 fire code issues that needed correction.

The fire prevention division began inspecting child/adult foster and day care in single family dwellings. These inspections are done in the months of October, November, & December revenue.

The fire department contracted with the State Fire Marshal's office to do state mandated school inspections. Having inspection done locally will provide for quicker response to

school inspection needs and provide pre plan information for emergency responders.

The Car Seat Safety Program sponsored eleven car seat clinics and assisted the public to install 615 car seats. In addition, car seats are routinely installed at fire stations between the scheduled clinics.

Emergency Management

Installation of All Hazards Warning siren system: The installation of the new All-hazard Siren system has begun. The new system will require fewer larger sirens with up-to-date electronics with voice capability and two way communications. This project was made possible by a \$750,000 federal grant in 2007. The system is expected to be fully functional in early 2009.

City Emergency Management personnel served on the Regional Advisory Committee in the establishment of a Regional Radio Board. The board will bring long term planning and coordination of the upcoming interpretational radio system upgrade across Northeast Minnesota.

The Port of Duluth/Superior has been upgraded to a higher priority in Port Security funding. This upgrade has provided a unique opportunity to upgrade the security of the port over the next five years. The Port of Duluth/Superior has been awarded 2 million dollars in port security grant dollars in 2008.

POLICE DEPARTMENT

The Department has successfully completed the transition to a new system for the administration of parking violations. The change will allow the City to retain a significantly larger share of the revenue generated from parking violations. It is anticipated the City will generate an additional estimated \$500,000 in revenues compared to 2007.

The heart of the Downtown saw an increased police presence in 2008, when a new partnership was formed with the DTA. A police sub-station was opened at the newly-remodeled DTA Transit/Ticketing Center. The sub-station centralized many of the smaller offices occupied by Community Police Officers in the Downtown and Hillside areas, and gave the Canal Park Officers a permanent work site. Officers are now able to complete their work at an office, rather than from a vehicle, and they also have space available to meet with the public.

The Neighborhood Impact Team was formed in 2008 by Chief Ramsay to combat a spike in violent crime in the City's Central and East Hillside. The Neighborhood Impact Team is made up of highly-motivated officers who have extensive training in surveillance and covert investigative techniques. Their mission is to concentrate on crime hot-spots in the City and reduce crime in these areas through targeted enforcement. To date, the Team has addressed criminal activity and quality of life issues throughout the City.

The Lake Superior Drug and Gang Task Force worked two large Federal O.C.D.E.T.F

(Organized Crime Drug Enforcement Task Force) investigations in 2008. Both of these investigations were sponsored and jointly worked with the United States Bureau of Alcohol, Tobacco, Firearms, and Explosives Enforcement and have been prosecuted by the United States Attorney's Office.

The first federal case resulted in the arrest of 29 defendants, all charged in a federal indictment related to drug trafficking crimes. This investigation involved the distribution and sale of nearly 60 kilograms of crack cocaine in Duluth and Superior over a two year period. This investigation is currently the most significant cocaine base (crack cocaine) investigation in Twin Ports history. Since the arrests of the twenty nine defendants, investigators have identified twelve different Midwest (Chicago) based gang affiliations or suspected gang associations in regards to these defendants.

The second federal case resulted in the arrest of 28 individuals charged with Conspiracy to Distribute Methamphetamine. One of the individuals charged admitted that he was responsible for the distribution of over 15 kilograms of methamphetamine to the Twin Ports. Investigators have identified linkages between these defendants and organized West Coast and Hispanic criminal gangs.

Beginning June 14, 2008, and continuing through early September, the Duluth Police Department investigated three homicides and three very serious assaults that if not for the exceptional response and emergency medical care received by those victims, most certainly would have been homicides. Investigators worked long hours on these serious crimes. As a result, the three homicides and three attempted homicides/serious assaults have been cleared by arrest; holding offenders accountable and giving peace of mind to the citizens of Duluth.

A Domestic Violence Response Team was formed and will this team co-locates and is comprised of a multi-disciplinary team of professionals who work together, under one roof, to provide coordinated services to victims of family violence. The Family Justice Center partners will include police officers, prosecutors and community-based advocates. The core concept is to provide one place where victims can go to talk to an advocate, plan for their safety, talk to a police officer, meet with a prosecutor, receive medical assistance, receive information on shelter, and get help with transportation. This is funded through a grant from the U.S. Department of Justice, Violence Against Women Act.

The Department worked with the City Attorney's Office, Building Inspection, City Council and various community groups to create several new City Ordinances that went into effect in 2008. The Ordinances allow police to deal with issues such as Crime Free Multi-Housing, Social Host/Party Enforcement, Front Yard Parking and an Ordinance to help with identification and clean-up of graffiti throughout the City. These Ordinances will be helpful in monitoring and enforcing quality of life issues. The collaboration involved in getting these new Ordinances passed has formed many partnerships that will be needed to make the ordinances effective.

Crime Mapping is dedicated to helping law enforcement agencies provide the public with valuable information about recent criminal activity by neighborhood. Citizens can view information on many types of violent crime, property crime and drug offenses. The goal of Crime Mapping is to assist police departments in reducing crime through a better

informed citizenry. This project was funded through a grant from the Duluth-Superior Area Community Foundation.

The Department promoted six new Lieutenants on January 1, 2008. The addition of these managers has improved efficiency, accountability, and communication which translates into the Department being more responsive to the needs of the community.

The Lakeside/Lester Park neighborhood saw the return of a Community Policing Officer after a nearly three year hiatus brought on by staffing deficits on the Department. Officer Erik Hanson was assigned to the area and has begun to renew the previously established relationships in these neighborhoods while engaging the community in problem solving.

A Grant Coordinator was hired, to be shared with the Saint Louis County Sheriff's Department; the coordinator will search for new revenue streams available to law enforcement and manage the numerous active grants of both agencies. This position signifies the first step in sharing resources between the Duluth Police Department and the Saint Louis County Sheriff's Department. In the future, the two agencies plan on sharing other resources to deliver more efficient and effective police services to the communities they serve.

Six members of the Duluth Police Department successfully completed the Northwestern University School of Police Staff & Command. This very prestigious school has gone a long way towards ensuring the Department's success in the future by imparting upon the future leaders of the Department the skills needed to successfully navigate the frenetic pace of change.

The Department opened a second Intoxilyzer Breath Testing Room in June of 2008 at the West Duluth Police Station. The Intoxilyzer room will allow officers assigned to the West Patrol Area to administer a breath test on a suspected drunk driver without having to drive in to Police Headquarters. This is yet another way the Department is working to make operations more efficient.

The Department also made great strides in the area of technology designed to assist Patrol Officers in the field. Some of the advances in 2008 include:

The addition of increased Internet access in squad cars allows officers access to various criminal databases important for subject identification and criminal records in the field.

The installation of Ticket Writer software and printers in squad cars to allow officers to substantially decrease the time needed to write a ticket and will allow the Department to track number and type of offenses officers encounter.

The Duluth Police Department has recently entered the digital age with respect to patrol car operations. This technology will greatly assist the Department with video and audio evidence collection, on-scene interviewing capabilities and the ability to review high-liability cases. The Department has installed and implemented the use of 10 digital in-car camera systems along with software and an information storage server. An additional 10 camera systems are in the process of being installed to the remaining

district patrol squads. Partial funding for this initiative was provided through a grant from the State of Minnesota.

Purchase of a speed trailer. The new trailer monitors speed of traffic and can display speeds while conducting traffic counts and average speed analysis in areas where speed or crash concerns are occurring. This analysis allows the Department to review data and utilize resources where and when they are most needed; allowing the Department to effectively deploy staff to problem areas.

PUBLIC WORKS & UTILITIES

Public Works

An agreement was reached for the sale of Duluth Steam District 2, at a price of \$2.5 million. The sale is expected to close in January 2009.

Gas Supply is entering an asset management agreement that is anticipated to save the gas utility approximately \$1 million per year.

A new security system that includes video surveillance has been installed at the Lakewood Treatment plant, and will protect the staff and the facility from unauthorized access.

The \$9.5 million automated meter reading (AMR) project is now 90% complete. The Department is installing AMR modules into 53,325 existing water and gas meters. This year- long contract is schedule for a March 2009 completion.

The Home Energy Check-up program provides a free home energy survey for customers by a trained energy consultant. Over 704 surveys have been performed in 2008, a 40% increase from the previous year.

The Home Energy Loan program provides a 4.9% loan to help customers install energy efficiency measures. This year, 250 loans have been issued totaling \$1.246 million compared to 166 loans totaling \$749,000 in 2007. Single family households that participated in the program are projected to save 97,290 CCF (hundred cubic feet) of natural gas, reduce carbon dioxide emissions by 573 tons annually, and save \$136,000 in energy costs.

The effectiveness of the ongoing public awareness program promoting the benefits of natural gas was clearly evident this year. Customers looking for new fuels to heat their homes and businesses increased demand for new service installations by 340% over last year. As a result, Natural gas utility revenue is projected to increase by \$744,531 annually, using the current average residential gas rate.

The first Street Preservation project under the Street Improvement Program (SIP) was completed, overlaying 2.7 miles of street.

Nearly one mile of new watermain was installed along Congdon Blvd, eliminating an area with a history of excessive watermain breaks.

The Lakewalk was extended nearly a mile, from 26th Avenue East to 36th Avenue East.

Painting and structural repairs were started on the Aerial Lift Bridge. Work will be completed in early 2009 on this two-year contract.

Utility Operations responded to 1,359 water related complaint calls, and repaired 126 water main leaks.

Water Quality Specialists inspected and verified 529 sump pump installations to bring the total number of sump pump installations to 5,862 that have been installed with the I/I grant program.

Utility Operations employee Christopher Kleist was honored as the Rookie of the Year by the Minnesota Wastewater Operator Association annual conference.

The Department continued to monitor and adjust the Inflow and Infiltration Reduction Program to include a Point of Sale Ordinance, and held two informational meetings with impacted customers that will be required to repair or rehabilitate sanitary sewer service lines.

Three lift stations (LS 38, 29, and 2) were rehabilitated.